

BEFORE THE
FEDERAL COMMUNICATIONS COMMISSION
Washington, DC 20554

In the Matter of)	
)	
)	MB Docket No. 04-210
Over-the-Air Broadcast)	
Television Viewers)	

COMMENTS OF
CAPITOL BROADCASTING COMPANY, INC.

Capitol Broadcasting Company, Inc. (“CBC”) hereby submits its comments in response to the Federal Communications Commission’s *Public Notice – Media Bureau Seeks Comment on Over-the-Air Broadcast Television Viewers*, MB Docket No. 04-210 (rel. May 27, 2004) (“*Public Notice*”). CBC is the licensee of local television stations WRAL-TV and WRAL-DT, Raleigh, North Carolina; WRAZ-TV and WRAZ-DT, Raleigh, North Carolina; WJZY-TV and WJZY-DT, Belmont, North Carolina; WWWB-TV and WWWB-DT, Rock Hill, South Carolina; and WILM-LP, Wilmington, North Carolina.¹ CBC is also the licensee of Lower 700 MHz Band spectrum in parts of North and South Carolina.

I. Analog Over-the-Air Viewers Cannot Be Abandoned

Although CBC supports any intra- or inter-industry agreements, regulation or legislation that moves the **digital** transition forward, including an end-of-transition date certain, CBC does not support abandoning **any** analog over-the-air viewer. It is critical that over-the-air viewers continue to have access to broadcast television signals for

¹ WRAL-TV (CBS), WRAL-DT (CBS), WRAZ-TV (FOX), and WRAZ-DT (FOX) serve the Raleigh-Durham (Fayetteville) Designated Market Area (“DMA”); WJZY-TV (UPN), WJZY-DT (UPN), WWWB-TV (WB), and WWWB-DT (WB) serve the Charlotte DMA; and WILM-LP (CBS) serves the Wilmington DMA.

emergency information. The April 19, 2001 comments of Roy Stewart, then Chief of the Mass Media Bureau, are particularly relevant to the subject of this *Public Notice*:

We believe that the transition's success should not be measured only by adherence to a particular timetable. It should be measured by results. Sometimes the deployment and adoption of new technology takes time, and there are twists and turns and complexities that can't be anticipated before the fact. Sometimes patience and a steady hand are called for. We will continue to press the DTV transition as quickly as we can, with consumer welfare as our guiding concern.² (Emphasis added.)

The October 11, 2001 comments of Commission Chairman Michael Powell are also applicable here. "The DTV transition is a massive and complex undertaking. Although I'm often asked what the FCC is going to do to 'fix' the DTV transition, I believe that a big part of the problem were the unrealistic expectations set by the 2006 target date for return of the analog spectrum. . . ."³ Further,

Powell cautioned that the Commission must review the DTV transition in light of "new realities that have arisen out of the tragic events of September 11." He said, "We must be aware of the financial impact of the attacks on media companies. We must be aware of the impact on consumer spending. We must be aware of the needs of public safety and other wireless services for additional spectrum. Above all, we must be mindful of our place in the broader community."⁴

CBC agrees with Mr. Stewart and Chairman Powell – consumer welfare should be our guiding concern and we must be mindful of our place in the broader community. As the Commission focuses on homeland security issues, it must remember the role of broadcast television in informing the public, including the continued importance of over-

² See "Digital Television Transition" Presentation to the FCC by Roy Stewart, Chief, Mass Media Bureau, April 19, 2001.

³ See News Release, "FCC Chairman Michael Powell Announces Creation of FCC Digital Television Task Force," October 11, 2001.

⁴ Id.

the-air broadcasting. In Charlotte, one of the nation's top financial centers, and in Raleigh-Durham (Fayetteville), home to Fort Bragg and Pope Air Force Base, approximately 300,000 TV households rely solely on over-the-air broadcasting.⁵

Consumer welfare is also profoundly impacted, not only by acts of terror, but by forces of nature. North Carolina's coastline makes it a favorable target for tropical storms, including hurricanes. Since Hugo struck in 1989, four other category three hurricanes have caused extensive damage in North Carolina, including Hurricane Fran cutting a path from Wilmington to Raleigh-Durham racking up more than \$1.275 billion in damages.⁶ During that time, North Carolina's broadcasters provided critical safety information, remaining on the air throughout power and cable outages. As power returned, many multichannel viewers scrambled to locate seldom used rabbit ears and other over-the-air antennas. In North Carolina, battery-powered analog television sets are not used just at Carolina Hurricanes and Panthers games; they are used for safety information during real hurricanes.

II. Quantitative Data Supports Continued Service to Over-the-Air Viewers

CBC "threw the switch" on WRAL-TV on December 15, 1956 to an audience comprised solely of over-the-air viewers. Almost forty years later in July 1996, WRAL-HD signed on again to an exclusively over-the-air audience. Today more than 161,160 households in the Raleigh-Durham DMA continue to rely solely on over-the-air broadcasting. In Charlotte, that number ranges from 128,000+ to 167,000+. Raleigh-Durham and Charlotte over-the-air viewers represent a wide-range of demographics and

⁵ Nielsen Media Research, Raleigh-Durham NC ViP May 2004; Raleigh-Durham Scarborough Release 2 2003 Oct02-Sep03; Nielsen Media Research, Charlotte NC ViP May 2004; and Scarborough Media Research, Charlotte NC, Mar03-Feb04 Release.

⁶ See <http://www.nc-climate.ncsu.edu/climate/hurricanes.html> (as viewed on August 8, 2004).

are geographically dispersed throughout the DMAs. More than 35% are unemployed and approximately 40% earn less than \$35,000. In Charlotte, 61% have a high school education or less. Persons 65+ represent 15+% of over-the-air viewers. In Charlotte, 72% reside in urban/suburban counties and 28% reside in rural counties. In Raleigh, 57.5% reside in urban/suburban counties and 42.5% reside in rural counties. *See charts that follow.* In response to the Commission’s request for quantitative data regarding over-the-air viewers, CBC provides the following statistics for the Raleigh-Durham DMA (#29) and the Charlotte DMA (#28).

**Over-the-Air (“OTA”) Viewers
Charlotte and Raleigh-Durham (Fayetteville)**

OTA Data	Charlotte DMA #28	Raleigh-Durham (Fayetteville) DMA#29
Total TV Households⁷	986,830	947,750
% of US TV Households⁸	0.910%	0.874
# of Households Relying Solely on OTA	128,287 ⁹ to 167,761 ¹⁰ (13-17% of DMA)	161,160 ¹¹ (17% of DMA)
# of Households Subscribing to Cable	671,044 ¹² (68% of DMA)	587,760 ¹³ (62% of DMA)
# of Households Subscribing to Satellite	197,366 ¹⁴ (20% of DMA)	255,960 ¹⁵ (27% of DMA)

⁷ Nielsen Media Research Local Universe Estimates for 2003-2004 television season that started on September 22, 2003.

⁸ Id.

⁹ Nielsen Media Research, Charlotte, NC ViP May 2004 (“Nielsen Charlotte 2004”).

¹⁰ Scarborough Media Research, Charlotte, NC, Mar2003-Feb2004 (“Scarborough Charlotte”).

¹¹ Nielsen Media Research, Raleigh-Durham, NC ViP May 2004 (“Nielsen Raleigh 2004”).

¹² Nielsen Charlotte 2004.

¹³ Raleigh-Durham Scarborough Release 2 2003 Oct02-Sep03 (“Scarborough Raleigh”).

¹⁴ Nielsen Charlotte 2004 (Note that CBC cannot differentiate homes that have both cable and satellite.)

¹⁵ Scarborough Raleigh.

OTA Data	Charlotte DMA #28	Raleigh-Durham (Fayetteville) DMA#29
# of OTA Televisions in Multichannel Households	No market data available	No market data available
# of Digital TV Receivers that Can Receive OTA Signal	No market data available	No market data available
Demographic Characteristics of OTAs¹⁶ Age: Persons 18-24 Persons 25-34 Persons 35-44 Persons 45-54 Persons 55-64 Persons 65+ Race: Caucasian African-American Asian Other Education: <12 th Grade High School Grad Some College (1-3 yrs) College Grad+ Household Income Levels: <\$25,000 \$25k-\$34,999 \$35k-\$49,999 \$50k-\$74,999 \$75k+ <\$30,000 \$30-\$49k \$50-\$74k \$75-\$100k \$100k+ Employment Status: Full-time Part-time Not Employed	15.1% 16.0% 18.7% 23.7% 11.3% 15.2% 73.5% 23.3% 0.8% 2.4% 20.7% 40.5% 26.7% 12.1% See below categories 39.2% 34.3% 16.0% 7.9% 2.7% 52.5% 10.4% 37.1%	15.0% 24.2% 19.5% 16.1% 09.6% 15.6% 64.8% 31.1% 0.17% 02.4% 14.8% 29.9% 33.7% 21.5% 30.5% 24.2% 26.0% 10.7% 08.6% See above categories 50.2% 14.2% 35.6%
Geographic Characteristics Of OTAs	See below chart	See below chart

¹⁶ Scarborough Charlotte and Scarborough Raleigh.

OTA Data	Charlotte DMA #28	Raleigh-Durham (Fayetteville) DMA#29
Why OTAs Do Not Subscribe to Multichannel Services	No market data available	No market data available

**Geographic Characteristics of OTAs
Charlotte and Raleigh-Durham (Fayetteville)**

Charlotte County¹⁷	% of OTAs	County Size¹⁸	Metro County¹⁹
Mecklenburg	24.3%	B	M
Gaston	8.6%	B	M
Union	6.1%	B	M
Cleveland	6.0%	C	
Chesterfield, SC	5.9%	D	
Burke	5.4%	B	
York, SC	5.2%	B	M
Rowan	4.7%	B	M
Iredell	4.6%	C	
Lincoln	4.6%	B	M
Catawba	4.5%	B	
Lancaster, SC	4.4%	D	
Cabarrus	4.3%	B	M
Caldwell	3.3%	B	
Stanly	2.5%	D	
Chester, SC	1.4%	D	
Ashe	1.3%	D	

¹⁷ Scarborough Charlotte.

¹⁸ County Size Definitions are from Nielsen Media Research, Local Reference Supplement 2003-2004.

- "A" = All counties in the largest metropolitan areas which together account for 40% of US Households according to the 2000 census.
- "B" = All counties in the next largest set of metropolitan areas which together account for 30% of US Households in the 2000 census. No non-metropolitan counties are large enough to qualify as A or B counties.
- "C" = All counties in the next largest set of areas, including both metropolitan areas and non-metropolitan counties, which account for 15% of US Households in the 2000 census.
- "D" = All remaining counties

¹⁹ Id.

Charlotte County¹⁷	% of OTAs	County Size¹⁸	Metro County¹⁹
Anson	1.1%	D	
Watauga	1.0%	D	
Alexander	0.9%	B	
Richmond	-	D	
Avery	-	D	
Raleigh-Durham (Fayetteville) County²⁰	% of OTAs	County Size	Metro County
Chatham	2.7%	B	M
Durham	10.7%	B	M
Franklin	3.3%	B	M
Johnston	8.8%	B	M
Orange	5.8%	B	M
Wake	26.2%	B	M
Cumberland	7.7%	C	
Edgecombe	1.9%	C	
Granville	1.2%	D	
Halifax	0.4%	D	
Harnett	6.3%	C	
Hoke	1.9%	D	
Lee	0.7%	D	
Moore	2.0%	C	
Nash	5.4%	C	
Person	2.6%	D	
Sampson	1.6%	D	
Vance	2.9%	D	
Warren	1.5%	D	
Wayne	5.1%	C	
Wilson	0.6%	C	
Mecklenburg, VA	0.6%	D	

²⁰ Scarborough Raleigh.

In addition, CBC supports the July 20, 2004 comments of the Community Broadcasters Association reminding the Commission of the importance of over-the-air viewers to low power television stations due to limited must carry rights and non-existent carry one/carry all rights.

III. Conclusion

CBC respectfully urges the Commission to ensure that over-the-air viewers are not abandoned at any time during or at the end of the transition. As a broadcast licensee, as a 700 MHz licensee, and as a community citizen, CBC supports the return of the analog spectrum, but only with consumer welfare as the guiding concern.

Respectfully submitted,

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